

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

SW-20445A  
Global Water – Palo Verde Utilities Company, Inc.  
c/o Global Water  
21410 N 19<sup>th</sup> Ave. Ste. 201  
Phoenix, AZ 85027

RECEIVED  
APR 15 2011  
ACCU UTILITIES DIRECTOR

**ANNUAL REPORT**  
**Sewer**

**FOR YEAR ENDING**

12	31	2010
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FOR COMMISSION USE

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4-19-11

4-19-11

**COMPANY INFORMATION**

<b>Company Name (Business Name)</b> <u>Global Water – Palo Verde Utilities Company, Inc.</u>		
<b>Mailing Address</b> <u>21410 N. 19<sup>th</sup> Ave., Ste. 201</u>		
<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85027</u> (Zip)
<u>623-580-9600</u> Telephone No. (Include Area Code)	<u>623-580-9659</u> Fax No. (Include Area Code)	<u>NA</u> Cell No. (Include Area Code)
<b>Email Address</b> <u>graham.symmonds@gwresources.com</u>		
<b>Local Office Mailing Address</b> <u>Same as above</u>		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Cell No. (Include Area Code)
<b>Email Address</b> <u></u>		

**MANAGEMENT INFORMATION**

<input type="checkbox"/> <b>Regulatory Contact:</b> <u>Graham Symmonds</u>			
<input type="checkbox"/> <b>Management Contact:</b> <u>Graham Symmonds</u>		<u>CTO &amp; SVP Regulatory Affairs &amp; Compliance</u>	
<u></u> (Name)		<u></u> (Title)	
<u>21410 N. 19<sup>th</sup> Ave. Ste. 210</u> (Street)	<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85027</u> (Zip)
<u>623-580-9600</u> Telephone No. (Include Area Code)	<u>623-580-9659</u> Fax No. (Include Area Code)	<u>602-615-4532</u> Cell No. (Include Area Code)	
<b>Email Address</b> <u>graham.symmonds@gwresources.com</u>			
<b>On Site Manager:</b> <u>Ron Fleming, General Manager, Arizona</u>			
<u></u> (Name)			
<u>22590 North Powers Parkway</u> (Street)	<u>Maricopa</u> (City)	<u>AZ</u> (State)	<u>85238</u> (Zip)
<u>520-233-2910</u> Telephone No. (Include Area Code)	<u>520-568-6367</u> Fax No. (Include Area Code)	<u>602-550-2717</u> Cell No. (Include Area Code)	
<b>Email Address</b> <u>ron.fleming@gwresources.com</u>			

<b>Statutory Agent:</b> _____		Andrew Abraham, Burch & Cracchiolo, PLC	
(Name)			
702 East Osborn, Ste. 200	Phoenix	AZ	85014
(Street)	(City)	(State)	(Zip)
602-274-7611	602-234-0341		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Attorney:</b> _____		Timothy J. Sabo, Roshka DeWulf & Patten, PLC	
(Name)			
400 E Van Buren, Ste. 800	Phoenix	AZ	85004
(Street)	(City)	(State)	(Zip)
602-256-6100	602-256-6800		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Email Address</b>	tsabo@rdp-law.com		

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input checked="" type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

UTILITY PLANT IN SERVICE

Acct. No.	DECRPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	0	0	0
352	Franchises	0	0	0
353	Land and Land Rights	186,342	0	186,342
354	Structures and Improvements	22,855,163	(3,387,313)	19,467,850
355	Power Generation Equipment	364,901	(86,054)	278,847
360	Collection Sewers – Force	3,857,656	(608,899)	3,248,757
361	Collection Sewers – Gravity	47,558,365	(4,087,250)	43,471,115
362	Special Collecting Structures	0	0	0
363	Services to Customers	5,244,342	(409,386)	4,834,956
364	Flow Measuring Devices	23,636	(12,411)	11,225
365	Flow Measuring Installations	0	0	0
370	Receiving Wells	1,921,877	(241,192)	1,680,685
371	Pumping Equipment	3,980,973	(2,239,713)	1,741,260
374	Reuse Distribution Reservoirs	11,043	(1,242)	9,801
375	Reuse Transmission and Distribution System	11,074,138	(1,191,877)	9,882,261
380	Treatment and Disposal Equip.	5,846,144	(1,614,792)	4,231,352
381	Plant Sewers	78,384	(30,244)	48,140
382	Outfall Sewer Lines	353,645	(100,830)	252,815
389	Other Plant and Misc. Equipment	2,264,309	(414,260)	1,850,049
390	Office Furniture and Equipment	401,774	(286,117)	115,657
391	Transportation Equipment	168,565	(161,909)	6,656
393	Tools, Shop and Garage Equip.	106,797	(17,867)	88,930
394	Laboratory Equipment	24,613	(7,237)	17,376
395	Power Operated Equipment	10,320	(1,759)	8,561
396	Communication Equipment	39,288	(28,934)	10,354
397	Miscellaneous Equipment	370,972	(95,839)	275,133
398	Other Tangible Plant	1,595,123	(522,835)	1,072,288
	TOTALS	\$ 108,338,370	(\$ 15,547,960)	\$ 92,790,410

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	0	0%	0
352	Franchises	0	0%	0
353	Land and Land Rights	186,342	0%	0
354	Structures and Improvements	22,855,163	3%	639,823
355	Power Generation Equipment	364,901	5%	17,253
360	Collection Sewers – Force	3,857,656	2%	74,664
361	Collection Sewers – Gravity	47,558,365	2%	950,514
362	Special Collecting Structures	0	0%	0
363	Services to Customers	5,244,342	2%	104,465
364	Flow Measuring Devices	23,636	10%	2,283
365	Flow Measuring Installations	0	3%	0
370	Receiving Wells	1,921,877	13%	63,890
371	Pumping Equipment	3,980,973	3%	501,527
374	Reuse Distribution Reservoirs	11,043	3%	276
375	Reuse Transmission and Distribution System	11,074,138	3%	270,134
380	Treatment and Disposal Equip.	5,846,144	5%	277,775
381	Plant Sewers	78,384	5%	3,988
382	Outfall Sewer Lines	353,645	3%	11,535
389	Other Plant and Misc. Equipment	2,264,309	7%	146,600
390	Office Furniture and Equipment	401,774	20%	65,763
391	Transportation Equipment	168,565	20%	29,968
393	Tools, Shop and Garage Equip.	106,797	5%	5,258
394	Laboratory Equipment	24,613	10%	3,615
395	Power Operated Equipment	10,320	5%	516
396	Communication Equipment	39,288	10%	2,539
397	Miscellaneous Equipment	370,972	10%	37,035
398	Other Tangible Plant	1,595,123	10%	156,986
	TOTALS	\$ 108,338,370		\$ 3,366,409

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash and cash equivalents	\$ 104,348	\$ 105,191
132	Special Deposits	0	0
134	Working Funds	0	0
135	Temporary Cash Investments	309,366	595,042
141	Customer Accounts Receivable	(35,879)	(81,606)
143	Accumulated Provision for Uncollectible Accounts	0	0
151	Plant Material and Supplies	11,319	17,832
162	Prepayments	5,838	6,188
174	Miscellaneous Current and Accrued Assets	7,915	128,246
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 402,907	\$ 770,893
	FIXED ASSETS		
101	Utility plant in service (All)	\$ 102,195,508	\$ 108,338,372
103	Property Held for Future Use	0	0
105	Construction Work-in-Progress	20,640,462	16,670,072
108	Accumulated Depreciation - Utility Plant	(12,226,693)	(15,547,960)
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 110,609,277	\$ 109,460,484
	OTHER ASSETS		
114	Utility Plant Acquisition Adjustments	\$ 0	\$ 0
181	Unamortized Debt Discount & Expense	0	0
190	Accumulated Deferred Income Taxes	13,849	8,936,977
	TOTAL OTHER ASSETS	\$ 13,849	\$ 8,936,977
	TOTAL ASSETS	\$ 111,026,033	\$ 119,168,354

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

**BALANCE SHEET (CONTINUED)**

<b>Acct · No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITIES</b>		
231	Accounts payable	\$ 658,856	\$ 670,980
232	Notes Payable (Current Portion)	0	0
235	Customer Deposits	0	669,926
236	Accrued Taxes	194,704	220,459
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	245,312	548,278
253	Other Deferred Credits	47,417	61,819
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 1,146,289</b>	<b>\$ 2,171,462</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Other Long-Term Debt	\$ 0	\$ 0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	27,585,537	27,933,024
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	27,689,675
272	Less: Amortization of Contributions	0	(1,353,460)
281	Accumulated Deferred Income Taxes	1,019,185	0
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 28,604,722</b>	<b>\$ 54,269,239</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 29,751,011</b>	<b>\$ 56,440,701</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 10	\$ 10
211	Paid in Capital in Excess of Par Value	79,542,801	59,798,049
215	Retained Earnings	1,732,211	2,929,594
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	<b>TOTAL CAPITAL</b>	<b>\$ 81,275,022</b>	<b>\$ 62,727,653</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 111,026,033</b>	<b>\$ 119,168,354</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
521	Flat Rate Revenues	\$ 6,124,915	\$ 7,130,552
522	Measured Revenues	168,464	222,562
536	Other Wastewater Revenues	389,437	308,039
	<b>TOTAL REVENUES</b>	<b>\$ 6,682,816</b>	<b>\$ 7,661,153</b>
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$ 1,086,546	\$ 1,186,924
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	0	0
715	Purchased Power	577,030	498,690
716	Fuel for Power Production		
718	Chemicals	158,672	227,573
720	Materials and Supplies	75,395	126,768
721	Office Expense	250,466	120,882
731	Contractual Services – Professional	55	313,096
735	Contractual Services – Testing	44,598	48,040
736	Contractual Services – Other	97,103	132,436
740	Rents	146,602	12,947
750	Transportation Expense	20,437	39,759
755	Insurance Expense	101,365	100,718
765	Regulatory Commission Expense	0	85,323
775	Miscellaneous Expense	154,024	331,013
403	Depreciation Expense	3,154,252	3,366,409
403	Depreciation Expense – CIAC Amortization	0	(1,353,460)
408	Taxes Other Than Income	8,729	6,238
408.11	Property Taxes	373,344	468,889
409	Income Taxes	168,422	751,968
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 6,417,042</b>	<b>\$ 6,464,213</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 1,545	\$ 203
421	Non-Utility Income	0	11,126
426	Miscellaneous Non-Utility Expenses	0	(7,914)
427	Interest Expense	0	(2,972)
	<b>TOTAL OTHER INCOME/EXPENSE</b>	<b>\$ 1,545</b>	<b>\$ 443</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 267,321</b>	<b>\$ 1,197,383</b>



SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME: Global Water - Palo Verde Utilities Company	
Name of System: Palo Verde	Wastewater Inventory Number (if applicable):

**WASTEWATER COMPANY PLANT DESCRIPTION**  
**TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, etc.)	1 x 3.0 MGD SBR Tertiary Treatment Facility 1 x 0.3 MGD Faculative Lagoon (not in use) 1 x 1.0 MGD SBR Tertiary Treatment Facility (non-operational)
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	Permitted Capacity = 9.0 MGD (per APP 105228)

**LIFT STATION FACILITIES**  
**PUMPS**

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
McDavid LS	2	70	650	15,000
Cobblestone LS	2	18	1200	8,900
Tortosa LS	2	5	300	10,300
Maricopa Groves LS	2	40	750	24,600
Alterra LS	2	15	690	13,200
Rancho El Dorado LS	1	15	1100	23,095
Rancho El Dorado LS	2	20	1000	
Palo Verde WRF Influent LS	1	100	5000	328,000
Palo Verde WRF Influent LS	1	30	1800	

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: Global Water - Palo Verde Utilities Company	
Name of System: Palo Verde	Wastewater Inventory Number (if applicable):

FORCE MAINS

Size (Inches)	Material	Length (Feet)
4	DIP	42
8	DIP	143
10	DIP	59
12	DIP	741
14	DIP	30
16	DIP	16
18	DIP	18
24	DIP	961
30	DIP	60
6	PVC	1,954
8	PVC	31,629
10	PVC	6,375
12	PVC	1,520
14	PVC	8,001
24	PVC	5,584

ABS = Acrylonitrile-Butadiene-Styrene

DIP =

HDPE = High Density Polyethylene

PVC =

UNK = Unknown

VCP = Vitrified Clay Pipe

-99 = Unknown

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: Global Water - Palo Verde Utilities Company

Name of System: Palo Verde

Wastewater Inventory Number (if applicable):

RECYCLED MAINS

Size (Inches)	Material	Length (Feet)
24	CON301	3,888
-99	DIP	112
12	DIP	131
16	DIP	784
24	DIP	1,536
10	DIP350	36
24	DIP350	212
-99	PVC	616
8	PVC	10,255
10	PVC	7,521
12	PVC	28,532
16	PVC	5,371
18	PVC	16,122
24	PVC	23,857
12	PVCCL1	25
-99	PVCCL2	1,314
8	PVCCL2	120
12	PVCCL2	12,896
16	PVCCL2	500
18	PVCCL2	21,517
24	PVCCL2	21,316

CON301 = AWWA C301

PVC = Polyvinyl Chloride

-99 = Unknown

DIP = Ductile Iron Pipe

UNK = Unknown

MANHOLES

CLEANOUTS

Type	Quantity
	3,552
	9
CONV	322
INA	1
LOCK	2
SEA	6
WT	13

Quantity
229

CONV = Conventional

SEA = Sealed

INA = Inaccessible

WT = Water Tight

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: Global Water - Palo Verde Utilities Company	
Name of System: Palo Verde	Wastewater Inventory Number (if applicable):

COLLECTION MAINS

Size (in Inches)	Material	Length (in Feet)
8	ABS	27
6	DIP	160
8	DIP	2,963
10	DIP	264
12	DIP	1,148
18	DIP	155
24	DIP	641
30	DIP	1,764
12	HDPE	174
15	HDPE	225
18	HDPE	2,468
24	HDPE	16,308
27	HDPE	1,681
30	HDPE	17,115
36	HDPE	4,722
42	HDPE	10,553
48	HDPE	5,825
4	PVC	419
6	PVC	1,809
8	PVC	750,479
10	PVC	47,853
12	PVC	65,545
15	PVC	17,413
18	PVC	8,950
21	PVC	778
24	PVC	41,912
30	PVC	9,244
36	PVC	28,738
42	PVC	506
48	PVC	4,556

ABS = Acrylonitrile-Butadiene-Styrene  
DIP =

HDPE = High Density Polyethylene  
PVC =

UNK = Unknown  
VCP = Vitrified Clay Pipe

-99 = Unknown

SERVICES

Size (in Inches)	Material	Quantity
8	PVC	4
-99	UNK	3
4	UNK	21,669

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: Global Water - Palo Verde Utilities Company	
Name of System: Palo Verde	Wastewater Inventory Number (if applicable):

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	2 x 1.5m Filter Belt Press 2 x Conveyor System for Biosolids 4 x 1/4 inch Influent Trash Removal Auger 2 x Grit Classifier 2 x Conveyor for Grit/Trash
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	2 x Low Pressure High Intensity UV
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	2 x 1.0 MGD Sand Filters (Gravity, traveling bridge) 2 x 4.0 MGD Disc Filters
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	2 x Office/Lab/Storage = 1500 sq ft 2 x SBR Blower Building = 1400 sq ft 2 x Headworks Building = 2800 sq ft 2 x Blower/Solids Handling = 2400 sq ft 2 x Masonry Walls (Filtration & Odor Control) = 600 sq ft Masonry Brick Walls at Cobblestone Lift Station, Alterra Lift Station, Groves Lift Station, RED Lift Station and Tortosa Lift Station Chain Link Fence: Lagoon = 2450 ft, 2 x SBR = 800 ft McDavid Lift Station Chain Link Fence
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Odor Scrubbers: 2 x Lift Station; 4 x SBR Systems 2 x Polymer Injection System 2 x 1500 kW D/G 2 x 350kVAD/G 2 x 80kVAD/G 2 x 60kWD/G 2 x HACH Portable Water Test Kit (DR2000) 5 x 1/2 Ton Pick-up Truck 2 x Vac Truck

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME: GLOBAL WATER – PALO VERDE UTILITIES COMPANY</b>	
<b>Name of System: PVUC</b>	<b>Wastewater Inventory Number (if applicable): NA</b>

**WASTEWATER FLOWS**

<b>MONTH/YEAR (Most Recent 12 Months)</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
January	16,913	69.75	2.660
February	16,938	59.92	2.480
March	16,953	65.43	2.366
April	16,968	63.11	2.354
May	16,986	63.80	2.305
June	16,997	59.02	2.163
July	17,000	60.57	2.139
August	17,014	63.65	2.283
September	17,024	60.28	2.265
October	17,027	63.92	2.335
November	17,029	64.19	2.415
December	17,031	68.27	2.566

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE  
PER WASTEWATER SYSTEM**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse Discharge
<b>Groundwater Permit Number</b>	
<b>ADEQ Aquifer Protection Permit Number</b>	APP105228 APP 105668- Campus 2 APP105922- Issued 8 Nov 2010
<b>ADEQ Reuse Permit Number</b>	R105392, R105393, R105394 R105228, R105869, R105870 R105871, R105873, R106068
<b>EPA NPDES Permit Number</b>	AZ0025071

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

COMPANY NAME: GLOBAL WATER – PALO VERDE UTILITIES COMPANY	
Name of System: PVUC	Wastewater Inventory Number (if applicable): NA

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2- 609.B	Termination with Notice R14-2- 609.C	OTHER
JANUARY		0	389	
FEBRUARY		0	175	
MARCH		0	253	
APRIL		0	238	
MAY		0	172	
JUNE		0	259	
JULY		0	318	
AUGUST		0	280	
SEPTEMBER		0	292	
OCTOBER		0	245	
NOVEMBER		0	355	
DECEMBER		0	156	
TOTALS →		0	3,132	

OTHER (description):

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**COMPANY NAME: GLOBAL WATER – PALO VERDE UTILITIES COMPANY  
YEAR ENDING 12/31/2010**

**INCOME TAXES**

**For this reporting period, provide the following:**

<b>Federal Taxable Income Reported</b>	<u>(\$ 2,426,814)</u>
<b>Estimated or Actual Federal Tax Liability</b>	<u>\$ 0</u>

<b>State Taxable Income Reported</b>	<u>(\$ 2,426,814)</u>
<b>Estimated or Actual State Tax Liability</b>	<u>\$ 0</u>

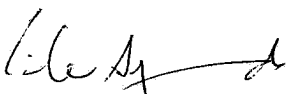
**Amount of Grossed-Up Contributions/Advances:**

<b>Amount of Contributions/Advances</b>	<u>\$ 55,622,700</u>
<b>Amount of Gross-Up Tax Collected</b>	<u>\$ 0</u>
<b>Total Grossed-Up Contributions/Advances</b>	<u>\$ 0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
**SIGNATURE**

April 15, 2011  
\_\_\_\_\_  
**DATE**

Graham Symmonds  
\_\_\_\_\_  
**PRINTED NAME**

CTO & SVP Regulatory Affairs & Compliance  
\_\_\_\_\_  
**TITLE**

**COMPANY NAME: GLOBAL WATER – PALO VERDE UTILITIES COMPANY**  
**YEAR ENDING 12/31/2010**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2010 was: **\$443,048.00**

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VERIFICATION AND SWORN STATEMENT**  
**Taxes**

RECEIVED

APR 15 2011

ACC UTILITIES DIRECTOR

**VERIFICATION**

**STATE OF ARIZONA      Maricopa**

**I, THE UNDERSIGNED      Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance**

**OF THE      Global Water – Palo Verde Utilities Company, Inc.**

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

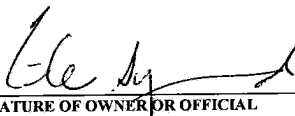
MONTH	DAY	YEAR
12	31	2010

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

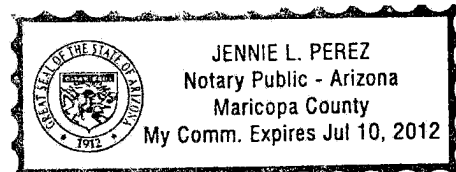
**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

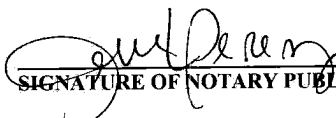
**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
\_\_\_\_\_  
623-580-9600  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ**  
**A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA**  
**THIS 15 DAY OF APRIL, 2011.**



**MY COMMISSION EXPIRES 7/10/2012**

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION AND SWORN STATEMENT**  
**Intrastate Revenues Only**

**VERIFICATION**

STATE OF ARIZONA      Maricopa

I, THE UNDERSIGNED      Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance

OF THE      Global Water – Palo Verde Utilities Company, Inc.

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

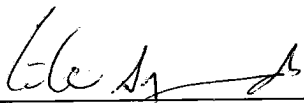
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 7,703,655.00

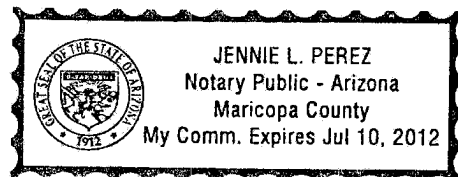
(THE AMOUNT IN BOX ABOVE INCLUDES \$21,127 SALE TAXES, \$19,120 ACC FEE, and \$3,050 RUCO FEE BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

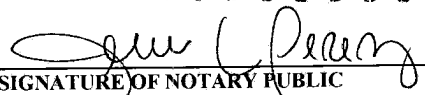
  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

623-580-9600  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA  
THIS 15 DAY OF APRIL, 2011.



MY COMMISSION EXPIRES 7/10/2012

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

VERIFICATION AND SWORN STATEMENT  
RESIDENTIAL REVENUE

INTRASTATE REVENUES ONLY

RECEIVED

APR 15 2011

ACCUTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA Maricopa

I, THE UNDERSIGNED Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance

OF THE Global Water – Palo Verde Utilities Company, Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 6,667,266

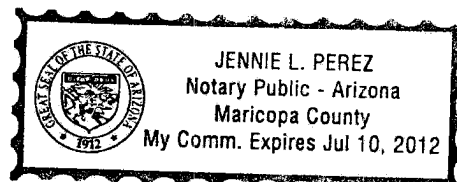
(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$0 SALES TAXES, \$15,905 ACC  
FEE, \$2,716 RUCO FEE BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

SIGNATURE OF OWNER OR OFFICIAL

623-580-9600  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA  
THIS 15 DAY OF APRIL, 2011.



MY COMMISSION EXPIRES 7/10/2012

SIGNATURE OF NOTARY PUBLIC